the 1978 Protocol and this could not be applied in the new agreement which was concluded between India and Russia during the recent visit of Rusian President Yeltsin in India in January, 1993 for determining the rupee value of the rouble denominated debt.

The agreement provides for the principal amount of the debt as on 1.4.1992 being converted from roubles to rupees using the exchange rate on 1.1.1990 as determined by the old 1978 Protocol (Rouble 1-Rs. 19.9169). The amount of the principal debt as on 1.4.1992 would also be converted from roubles to rupees using the exchange rate on 1.4.1992 as determined by the 1978 Protocol (Rouble 1-Rs. 31.7514). The difference in the two amounts as calculated above would be fixed in rupees and would be rescheduled and repaid in annual instalments over a period of 45 years. This rescheduled portion would carry no interest. It will also have no protection against any fluctuation in the value of the rupee for a period of 5 years. Thereafter, it will be indexed to the SDR if the average annual depreciation of the rupee exceeds 3 per cent over this 5 year period. Similar reviews will be conducted at the end of every five year period. The non-rescheduled portion of the debt will be the amount in rupees corresponding to the conversion of the rouble debt at the exchange rate as on 1.1.1990. This amount would henceforth be denominated in rupee and repayments of the principal and interest on this portion of the debt would be effected by India in accordance with the schedule in force for each of the relevent inter-Governmental credit agreements. The rupee payments in respect of principal and interest of this non-rescheduled portion of the debt would, however, be protected by adjusting the rupee amounts in line with future changes in the rupee value of the SDR basket of 5 currencies. The existing arrangement of using the credit repayments for export of Indian goods and services to Russia will continue. In quantitative terms, the outstanding rouble debt as on 1-4-1992 was about Roubles 9871 million. In accordance with the agreement, this amount converted at the exchan-rate prevailing on 1-4-92 comes to Rs. 31342 crores. The same outstanding principal converted at the exchange rate prevailing on 1.1.1990 comes to Rs. 19660 crores. Thus the principal outstanding of Rs. 19660 crores will continue to be paid with interest in accordance with the existing scheduled of payments while Rs. 11682 crores will be rescheduled over 45 years.

Under the agreement about 37 per cent of India's outstanding debt to the former USSR has now been rescheduled on soft terms over 45 years. The provision for repayment of the debt by export of Indian goods and services will also provide a stimulus to Indian exports and set the stage for a strong resumption of trade and other forms of economic cooperation between our two countries.

Illegal operation involving Russian Roubles

3995. SHRI SATYA PRAKASH MALAVIYA:
SHRI DIGVIJAY SINGH:

Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that a major clandestine operation involving crores of Russian rouble and the Indian rupee have been unearthed by the Enforcement Directorate;

(b) if so, what are the details thereof stating;

(i) the overseas agencies and the Indian agencies involved in the racket;

(ii) the estimated amount of Ruble-Indian Currency involved;

(iii) the *modus operandi of* the racked involved; and

(c) the measures taken/proposed to be taken by Government in the matter?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKHAR MURTHY): (a) and (b) The Directorate of Enforcement has initiated enquiries with certain banks in the country for ascertaining the violations of FERA. During the enquiries, the Directorate has come across instances of illegal remittance of foreign exchange equivalent of Rs. 77.93 crores (approx.) through VOSTRO accounts to Standard Chartered Bank, London, GIRO Bank PLC, UK, and Bank of Ireland, Dublin. These transactions were carried out in India by the Standard Chartered Bank, Bombay, ANZ Grindlays Bank, Bombay and Indian Overseas Bank, Madras.

(c) Appropriate action under the provisions of FERA will be taken on completion of the enquiries.

Under-invoiced import of toners

3996. SHRI SOM PAL: Will the Minister of FINANCE be pleased to state:

(a) whether Government are aware that some traders are importing toners used in photocopying machines at a much lower declared value than the actual prices prevailing in International Market;

(b) if so, whether Government tried to find out the difference between the actual prices and the declared prices of various brands of toners and the extent of duty evasion;

(c) whether Government are aware that at times these toners are imported in the garb of carbon black, which though attracts same duty but carries a much lower price tag;

(d) whether Government are aware of reports of inferior quality toners being sold in the market; and

(e) if so, what measures have been proposed to be initiated to check these malpractices?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKHAR MURTHY): (a) to (e) Information had been received sometime ago that certain traders in different parts of the country were importing toners used in the printing industry and in photo copying machines by under-invoicing their values. Information was also to the effect that these goods are misdeclared as carbon black. Date of the correct values from the manufacturers abroad has also been obtained and all Customs formations have been furnished with this information. Information specifically on goods detected, extent of duty evasion, imports in the guise of carbon black, imports of inferior quality toners is being collected

Undertaking given to would bank

3997. SHRI DIPEN GHOSH: Will the Minister of FINANCE be pleased to state:

(a) whether Government have given an undertaking to the World Bank that momentum of utilisation of assistance would be maintained from now on; and

(b) if so, what are the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED): (a) and (b) No, Sir. The Government of India and the World Bank have discussed that steps are necessary to streamline disbursements and to rationalise the portfolio of projects to ensure optimum utilisation of commitments.

Review of custom duty reliefs on petrochemicals

3998. SHRI ANANT RAM JAISWAL: Will the Minister of FINANCE be pleased to state:

(a) wheher it is a fact that huge investments of public and Financial